

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1380-01
Bill No.: HB 527
Subject: Highway Patrol compensation
Type: Original
Date: February 20, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$0 to (\$504,143)	\$0 to (\$620,095)	\$0 to (\$635,598)
Gaming	\$0 to (\$468,806)	\$0 to (\$576,631)	\$0 to (\$591,047)
Highway Funds	\$0 to (\$3,607,214)	\$0 to (\$4,436,872)	\$0 to (\$4,547,794)
Total Estimated Net Effect on <u>All</u> State Funds	\$0 to (\$4,580,163)	\$0 to (\$5,633,598)	\$0 to (\$5,774,439)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Federal	\$0 to (\$131,454)	\$0 to (\$161,689)	\$0 to (\$165,731)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0 to (\$131,454)	\$0 to (\$161,689)	\$0 to (\$165,731)

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** state this proposal mandates compensatory time for the employees of the Highway Patrol who work more than full-time in any week. The following analysis performed by the MHP is based on the job classes of trooper, corporal, and sergeant, which are the 3 job classes that this legislation would primarily affect:

During the 3 month period of August through October 2000, employees in these 3 job classes earned an average of 23,060 hours of comp time each month. In October 2000, the average salary for these 3 job classes was \$20.61 per hour. As a result, the value of that accumulated time was \$475,267 each month (23,060 X \$20.61).

During the same 3 month period, the Patrol paid out an average of \$144,836 per month to members in paid overtime projects, which are included in the 23,060 hours of comp time.

Assuming that every member would choose to be paid, the additional cost of this legislation would be approximately \$330,431 per month in salaries (\$475,267 minus \$144,836).

Assuming that 50% of members would choose to be paid, the additional cost would be approximately \$92,798 per month in salaries ($\$475,267/2$ minus \$144,836).

The Patrol assumes that 42.59% would need to be added to these dollar amounts for fringe benefits. The percentage is based on retirement, disability and social security because these are the only benefits paid for overtime. In FY 2002, this would result in \$395,227 in fringe benefits if 50% of members would choose to be paid, and \$1,407,306 if all members would choose to be paid.

The MHP broke out the estimated effect of this proposal between the various funds from which their officers are paid, General Revenue, Gaming, Highway and Federal Funds. The high-side estimate for the total effect for FY 2002 would be \$3,304,310 in salaries (10 months x \$330,431), plus \$1,407,306 in fringe benefits, for a total impact of \$4,711,616. The high-side estimate for the total effect for FYs 2003 and 2004 are estimated to be \$3,965,172 in salaries (12 months x \$330,431), plus \$1,688,767 in fringe benefits, for a total impact of \$5,653,939.

Oversight has ranged the fiscal impact from this legislation from no Missouri Highway Patrol officers opting to take the overtime payment instead of the comp. time (\$0), to all of the officers opting to take the overtime payment. Oversight has increased the estimated payment in salaries for the patrol officers for inflation by 2.5% for fiscal years FY 2003 and again for FY 2004.

ASSUMPTION (continued)

Officials from the **Highway and Transportation Employees' & Highway Patrol Retirement System** assume this proposal would have no fiscal impact on their retirement system.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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GENERAL REVENUE

Costs - Paid overtime for MHP

Personal Service (0 additional FTE)	\$0 to (\$353,561)	\$0 to (\$434,880)	\$0 to (\$445,752)
Fringe Benefits	<u>\$0 to (\$150,582)</u>	<u>\$0 to (\$185,215)</u>	<u>\$0 to (\$189,846)</u>
<u>Total Costs</u> - paid overtime for MHP	\$0 to (\$504,143)	\$0 to (\$620,095)	\$0 to (\$635,598)

GAMING FUND

Costs - paid overtime for MHP

Personal Service (0 additional FTE)	\$0 to (\$328,779)	\$0 to (\$404,398)	\$0 to (\$414,508)
Fringe Benefits	<u>\$0 to (\$140,027)</u>	<u>\$0 to (\$172,233)</u>	<u>\$0 to (\$176,539)</u>
<u>Total Costs</u> - paid overtime for MHP	\$0 to (\$468,806)	\$0 to (\$576,631)	\$0 to (\$591,047)

HIGHWAY FUNDS

Costs - paid overtime for MHP

Personal Service (0 additional FTE)	\$0 to (\$2,529,780)	\$0 to (\$3,111,629)	\$0 to (\$3,189,420)
Fringe Benefits	\$0 to <u>(\$1,077,434)</u>	\$0 to <u>(\$1,325,243)</u>	\$0 to <u>(\$1,358,374)</u>
<u>Total Costs</u> - paid overtime for MHP	\$0 to (\$3,607,214)	\$0 to (\$4,436,872)	\$0 to (\$4,547,794)

FEDERAL FUNDS

Costs - paid overtime for MHP

Personal Service (0 additional FTE)	\$0 to (\$92,191)	\$0 to (\$113,394)	\$0 to (\$116,229)
Fringe Benefits	<u>\$0 to (\$39,263)</u>	<u>\$0 to (\$48,295)</u>	<u>\$0 to (\$49,502)</u>
<u>Total Costs</u> - paid overtime for MHP	\$0 to (\$131,454)	\$0 to (\$161,689)	\$0 to (\$165,731)

FISCAL IMPACT - Local Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal requires the state to either pay at a member's regular rate or grant compensatory time off to any member of the Highway Patrol who works more than 160 hours in a 28-day period. The member must indicate which method of compensation is preferred before the end of the 28th day of the pay period immediately after the compensatory time was worked.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety - Missouri Highway Patrol
State Highway Employees & Patrol Retirement System



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Director
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